

### *National Treatment*

The NAFTA provides for national treatment, most-favoured nation treatment, and the prohibition of trade distorting performance requirements. Canada, the U.S. and Mexico must treat each other's goods, services, and investors as they treat their own. Once goods, services or investments from one country enter the other, they cannot be discriminated against on the basis of origin.

Significantly, NAFTA coverage extends to investments made by any company incorporated in a NAFTA country, regardless of its country of origin.

### *Secure Market Access*

The NAFTA ensures secure access for Canadian-based exporters to both the U.S. and Mexico. Clearer North American content rules, including those for autos, reduce the risk of unilateral interpretations by customs officials. In cases where North American content is an issue, exporters or producers can choose between two formulas and select the one which is most beneficial.

### *Improved Dispute Settlement Mechanism*

Under the FTA, a system was established to review countervailing and anti-dumping decisions to make binding determinations on whether they were in accordance with domestic legislation. The NAFTA enhances the FTA rules and extends them to Mexico. The dispute settlement system has been strengthened and any uncertainty over its permanency has been removed.

Exporters and investors can be reassured that their interests will be effectively defended in this more transparent and enforceable system. Review panels, not domestic courts, settle or determine remedies regarding disputes over anti-dumping and countervailing duties. Disagreements between investors and NAFTA governments may be settled through international arbitration.

The new rules on dispute settlement agreed to in the Uruguay Round do not affect those in place under the NAFTA. The two agreements are complementary, with the WTO providing another avenue for settling disputes with the U.S. and Mexico.

### *Government Procurement*

All three countries have agreed to provide substantially increased access to government procurement opportunities for the sale of goods and services, including construction services. (See Chapter 13 for more information.)

The Uruguay Round's Agreement on Government Procurement extends any incremental benefits to the NAFTA.

### *Facilitation of Business Travel*

The NAFTA simplifies procedures for business travel. Eligible business people in over 60 professions can be granted temporary entry without prior approval procedures. To qualify, business travellers must prove Canadian, American or Mexican citizenship and must fall into one of four defined categories: business visitor, trader and investor, intra-company transferee, or professional.